



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2003
OF THE CONDITION AND AFFAIRS OF THE

NAIC Group Code

1311

(Current Period)

Prior Period)

NAIC Company Code

95464

Employer's ID Number

38-2598455

Organized under the Laws of

Michigan

State of Domicile or Port of Entry

Michigan

Country of Domicile

United States of America

Licensed as business type:

Life, Accident & Health []

Property/Casualty []

Dental Service Corporation []

Vision Service Corporation []

Other []

Health Maintenance Organization []

Hospital, Medical & Dental Service or Indemnity []

Is HMO, Federally Qualified? Yes [] No []

Incorporated

12/03/1984

Commenced Business

07/01/1986

Statutory Home Office

2850 West Grand Boulevard

(Street and Number)

Detroit, MI 48202

(City or Town, State and Zip Code)

Main Administrative Office

2850 West Grand Boulevard

(Street and Number)

Detroit, MI 48202

(City or Town, State and Zip Code)

313-872-8100

(Area Code) (Telephone Number)

Mail Address

2850 West Grand Boulevard

(Street and Number or P.O. Box)

Detroit, MI 48202

(City or Town, State and Zip Code)

Primary Location of Books and Records

2850 West Grand Boulevard

(Street and Number)

Detroit, MI 48202

(City or Town, State and Zip Code)

(Area Code) (Telephone Number)

Internet Website Address

www.hap.org

Statutory Statement Contact

(Name)

(Area Code) (Telephone Number) (Extension)

(E-mail Address)

(FAX Number)

Policyowner Relations Contact

2850 West Grand Boulevard

(Street and Number)

Detroit, MI 48202

(City or Town, State and Zip Code)

313-872-8100

(Area Code) (Telephone Number) (Extension)

OFFICERS

President

Secretary

Treasurer

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

State of }
County of } ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

President

Secretary

Treasurer

Subscribed and sworn to before me this

day of

, 2004

a. Is this an original filing? Yes [] No []

b. If no,

1. State the amendment number

2. Date filed

3. Number of pages attached

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	0		0	0
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	12,592,725		12,592,725	16,015,300
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$1,802,082 , Schedule E, Part 1), cash equivalents (\$0 , Schedule E, Part 2) and short -term investments (\$0 , Schedule DA).....	1,802,082		1,802,082	4,331,805
6. Contract loans, (including \$premium notes)			0	0
7. Other invested assets (Schedule BA)	0	0	0	0
8. Receivable for securities			0	0
9. Aggregate write-ins for invested assets	0	0	0	0
10. Subtotals, cash and invested assets (Lines 1 to 9)	14,394,807	0	14,394,807	20,347,105
11. Investment income due and accrued	12,819		12,819	27,058
12. Premiums and considerations:				
12.1 Uncollected premiums and agents' balances in the course of collection			0	0
12.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			0	0
12.3 Accrued retrospective premium.....			0	0
13. Reinsurance:				
13.1 Amounts recoverable from reinsurers			0	0
13.2 Funds held by or deposited with reinsured companies			0	0
13.3 Other amounts receivable under reinsurance contracts			0	0
14. Amounts receivable relating to uninsured plans			0	0
15.1 Current federal and foreign income tax recoverable and interest thereon			0	784,737
15.2 Net deferred tax asset.....			0	0
16. Guaranty funds receivable or on deposit			0	0
17. Electronic data processing equipment and software.....			0	0
18. Furniture and equipment, including health care delivery assets (\$)			0	0
19. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
20. Receivables from parent, subsidiaries and affiliates			0	0
21. Health care (\$) and other amounts receivable.....			0	0
22. Other assets nonadmitted			0	0
23. Aggregate write-ins for other than invested assets	0	0	0	0
24. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23).....	14,407,626	0	14,407,626	21,158,900
25. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
26. Total (Lines 24 and 25)	14,407,626	0	14,407,626	21,158,900
DETAILS OF WRITE-INS				
0901.			0	0
0902.			0	0
0903.			0	0
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998)(Line 9 above)	0	0	0	0
2301. Other Receivables.....			0	0
2302.			0	0
2303.			0	0
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)			0	16,693,539
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses			0	0
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserves			0	
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued			0	0
10.1 Current federal and foreign income tax payable and interest thereon (including				
\$ on realized capital gains (losses))	452,689		452,689	
10.2 Net deferred tax liability			0	
11. Ceded reinsurance premiums payable			0	
12. Amounts withheld or retained for the account of others	1,422,900		1,422,900	0
13. Remittance and items not allocated			0	
14. Borrowed money (including \$ current) and interest thereon \$ (including				
\$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates			0	3,718
16. Payable for securities			0	0
17. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
18. Reinsurance in unauthorized companies			0	0
19. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
20. Liability for amounts held under uninsured accident and health plans			0	0
21. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	19,297
22. Total liabilities (Lines 1 to 21)	1,875,589	0	1,875,589	16,716,554
23. Common capital stock	XXX	XXX	3,000	3,000
24. Preferred capital stock	XXX	XXX		0
25. Gross paid in and contributed surplus	XXX	XXX	6,997,000	6,997,000
26. Surplus notes	XXX	XXX		0
27. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
28. Unassigned funds (surplus)	XXX	XXX	5,532,037	(2,557,654)
29. Less treasury stock, at cost:				
29.1 shares common (value included in Line 23 \$)	XXX	XXX		0
29.2 shares preferred (value included in Line 24 \$)	XXX	XXX		0
30. Total capital and surplus (Lines 23 to 28 Less 29)	XXX	XXX	12,532,037	4,442,346
31. Total liabilities, capital and surplus (Lines 22 and 30)	XXX	XXX	14,407,626	21,158,900
DETAILS OF WRITE-INS				
2101. Miscellaneous			0	19,297
2102.			0	0
2103.			0	0
2198. Summary of remaining write-ins for Line 21 from overflow page	0	0	0	0
2199. Totals (Lines 2101 thru 2103 plus 2198) (Line 21 above)	0	0	0	19,297
2701.	XXX	XXX		0
2702.	XXX	XXX		0
2703.	XXX	XXX		0
2798. Summary of remaining write-ins for Line 27 from overflow page	XXX	XXX	0	0
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	0	0
2. Net premium income (including non-health premium income).....	XXX		1,017,299
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	0	1,017,299
Hospital and Medical:			
9. Hospital/medical benefits		(11,877,795)	(6,001,364)
10. Other professional services			0
11. Outside referrals			0
12. Emergency room and out-of-area			0
13. Prescription drugs			0
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15)	0	(11,877,795)	(6,001,364)
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	(11,877,795)	(6,001,364)
19. Non-health claims			
20. Claims adjustment expenses		0	0
21. General administrative expenses.....		0	0
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	(11,877,795)	(6,001,364)
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	11,877,795	7,018,663
25. Net investment income earned		210,876	545,779
26. Net realized capital gains or (losses)			0
27. Net investment gains or (losses) (Lines 25 plus 26)	0	210,876	545,779
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	0	(2,168)
30. Net income or (loss) before federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	12,088,671	7,562,274
31. Federal and foreign income taxes incurred	XXX	3,998,980	2,275,752
32. Net income (loss) (Lines 30 minus 31)	XXX	8,089,691	5,286,522
DETAILS OF WRITE-INS			
0601.	XXX		0
0602.	XXX		0
0603.	XXX		0
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			0
1402.			0
1403.			0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	0	0
2901. Miscellaneous.....			(2,168)
2902.			0
2903.			0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)	0	0	(2,168)

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

CAPITAL AND SURPLUS ACCOUNT

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting period	4,442,346	5,655,824
GAINS AND LOSSES TO CAPITAL & SURPLUS:		
34. Net income or (loss) from Line 32	8,089,691	5,286,522
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Net unrealized capital gains and losses		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	0	0
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles	0	0
44. Capital Changes:		
44.1 Paid in		0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in		0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		(6,500,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital & surplus (Lines 34 to 47)	8,089,691	(1,213,478)
49. Capital and surplus end of reporting period (Line 33 plus 48)	12,532,037	4,442,346
DETAILS OF WRITE-INS		
4701.		0
4702.		0
4703.		0
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

CASH FLOW

	1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations		
1. Premiums collected net of reinsurance.....	.0	3,343,877
2. Net investment income	225,115	601,379
3. Miscellaneous income	(19,297)	(25,186)
4. Total (Lines 1 to 3)	205,818	3,920,070
5. Benefits and loss related payments	4,815,744	21,337,804
6. Net transfers to Separate, Segregated Accounts and Protected Cell Accounts.....		.0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	.0	841,183
8. Dividends paid to policyholders .....		.0
9. Federal and foreign income taxes paid (recovered) \$ net tax on capital gains (losses)	2,761,554	(228,686)
10. Total (Lines 5 through 9)	7,577,298	21,950,301
11. Net cash from operations (Line 4 minus Line 10)	(7,371,480)	(18,030,231)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	.0	.0
12.2 Stocks	3,422,575	.0
12.3 Mortgage loans .....	.0	.0
12.4 Real estate .....	.0	.0
12.5 Other invested assets .....	.0	.0
12.6 Net gains or (losses) on cash and short-term investments .....	.0	.0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,422,575	.0
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	.0	.0
13.2 Stocks .....	.0	15,515,300
13.3 Mortgage loans .....	.0	.0
13.4 Real estate .....	.0	.0
13.5 Other invested assets .....	.0	.0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	.0	15,515,300
14. Net increase (or decrease) in policy loans and premium notes .....	.0	.0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	3,422,575	(15,515,300)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	.0	.0
16.2 Capital and paid in surplus, less treasury stock.....	.0	.0
16.3 Borrowed funds received.....	.0	.0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	.0	.0
16.5 Dividends to stockholders .....	.0	6,500,000
16.6 Other cash provided (applied).....	1,419,182	(37,443)
17. Net cash from financing and miscellaneous sources (Line 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)	1,419,182	(6,537,443)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS		
18. Net change in cash and short-term investments (Line 11 plus Line 15 plus Line 17)	(2,529,723)	(40,082,974)
19. Cash and short-term investments:		
19.1 Beginning of year	4,331,805	44,414,779
19.2 End of period (Line 18 plus Line 19.1).....	1,802,082	4,331,805

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS (Gain and Loss Exhibit)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-term Care	Other Health	Other Non-Health
1. Net premium income	0												
2. Change in unearned premium reserves and reserve for rate credit	0												
3. Fee-for-service (net of \$ medical expenses)	0												XXX
4. Risk revenue.....	0												XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6).....	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Hospital/medical/ benefits	(11,877,795)	(8,730,893)				(967,957)	(2,178,945)						XXX
9. Other professional services	0												XXX
10. Outside referrals	0	0											XXX
11. Emergency room and out-of-area	0												XXX
12. Prescription Drugs	0												XXX
13. Aggregate write-ins for other hospital and medical.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts.....	0												XXX
15. Subtotal (Lines 8 to 14)	(11,877,795)	(8,730,893)	0	0	0	(967,957)	(2,178,945)	0	0	0	0	0	XXX
16. Net reinsurance recoveries	0												XXX
17. Total medical and hospital (Lines 15 minus 16)	(11,877,795)	(8,730,893)	0	0	0	(967,957)	(2,178,945)	0	0	0	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses	0												
20. General administrative expenses	0												
21. Increase in reserves for accident and health contracts	0												XXX
22. Increase in reserves for life contracts.....	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	(11,877,795)	(8,730,893)	0	0	0	(967,957)	(2,178,945)	0	0	0	0	0	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	11,877,795	8,730,893	0	0	0	967,957	2,178,945	0	0	0	0	0	0
DETAILS OF WRITE-INS													
0501.													XXX
0502.													XXX
0503.													XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.													XXX
1302.													XXX
1303.													XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	0	0	0	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical)				
2. Medicare Supplement				
3. Dental Only.....				
4. Vision Only.....				
5. Federal Employees Health Benefits Plan				
6. Title XVIII - Medicare				
7. Title XIX - Medicaid.....				
8. Stop Loss				
9. Disability Income				
10. Long-term care				
11. Other health.....				
12. Health subtotal (Lines 1 through 11)				
13. Life				
14. Property/Casualty.....				
15. Totals (Lines 12 to 14)				

NONE

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - Claims Incurred During the Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non- Health
1. Payments during the year:													
1.1 Direct	4,815,744	4,465,066				495,023	(144,345)						
1.2 Reinsurance assumed	0	0											
1.3 Reinsurance ceded	0												
1.4 Net	4,815,744	4,465,066	0	0	0	495,023	(144,345)	0	0	0	0	0	0
2. Paid medical incentive pools and bonuses	0												
3. Claim liability December 31, current year from Part 2A:													
3.1 Direct	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Claim reserve December 31, current year from Part 2D:													
4.1 Direct	0												
4.2 Reinsurance assumed	0												
4.3 Reinsurance ceded	0												
4.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0												
6. Amounts recoverable from reinsurers December 31, current year	0												
7. Claim liability December 31, prior year from Part 2A:													
7.1 Direct	0	0	0	0	0	0	0	0					
7.2 Reinsurance assumed	0	0	0	0	0	0	0	0					
7.3 Reinsurance ceded	0	0	0	0	0	0	0	0					
7.4 Net	0	0	0	0	0	0	0	0	0	0	0	0	0
8. Claim reserve December 31, prior year from Part 2D:													
8.1 Direct	16,693,539	13,195,959	0	0	0	1,462,980	2,034,600	0					
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0					
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0					
8.4 Net	16,693,539	13,195,959	0	0	0	1,462,980	2,034,600	0	0	0	0	0	0
9. Accrued medical incentive pools and bonuses, prior year	0	0	0	0	0	0	0	0					
10. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0					
11. Incurred Benefits:													
11.1 Direct	(11,877,795)	(8,730,893)	0	0	0	(967,957)	(2,178,945)	0	0	0	0	0	0
11.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0	0	0	0
11.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0	0	0	0
11.4 Net	(11,877,795)	(8,730,893)	0	0	0	(967,957)	(2,178,945)	0	0	0	0	0	0
12. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0	0	0	0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - Claims Liability End of Current Year

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Total	Comprehensive (Medical & Hospital)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Stop Loss	Disability Income	Long-Term Care	Other Health	Other Non-Health
1. Reported in Process of Adjustment:													
1.1. Direct													
1.2. Reinsurance assumed													
1.3. Reinsurance ceded													
1.4. Net													
2. Incurred but Unreported:													
2.1. Direct													
2.2. Reinsurance assumed													
2.3. Reinsurance ceded													
2.4. Net													
3. Amounts Withheld from Paid Claims and Capitations:													
3.1. Direct													
3.2. Reinsurance assumed													
3.3. Reinsurance ceded													
3.4. Net													
4. TOTALS:													
4.1. Direct													
4.2. Reinsurance assumed													
4.3. Reinsurance ceded													
4.4. Net													

NONE

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)	4,465,066				4,465,066	13,195,959
2. Medicare Supplement .....					.0	.0
3. Dental Only.....					.0	.0
4. Vision Only.....					.0	.0
5. Federal Employees Health Benefits Plan Premiums	495,023				495,023	1,462,980
6. Title XVIII - Medicare	(144,345)				(144,345)	2,034,600
7. Title XIX - Medicaid.....					.0	.0
8. Other health .....					.0	.0
9. Health subtotal (Lines 1 to 8).....	4,815,744	.0	.0	.0	4,815,744	16,693,539
10. Other non-health.....					.0	
11. Medical incentive pools, and bonus amounts .....					.0	.0
12. Totals (Lines 9 to 11)	4,815,744	0	0	0	4,815,744	16,693,539

**STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.**

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior	32,766	873	0	0	
2. 1999	184,238	19,200	568	0	
3. 2000	XXX	175,250	33,220	5	0
4. 2001	XXX	XXX	142,443	21,682	4,815
5. 2002	XXX	XXX	XXX	0	
6. 2003	XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	.0
2. 1999.....	205,652	204,191	204,006	204,006	204,006
3. 2000.....	XXX	213,098	209,136	208,475	208,475
4. 2001.....	XXX	XXX	186,160	180,820	168,942
5. 2002.....	XXX	XXX	XXX	.0	
6. 2003.....	XXX	XXX	XXX	XXX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

[illegible]

**STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.**

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
 (000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior	32,766	873	0	0	0
2. 1999	184,238	19,200	568	0	0
3. 2000	XXX	175,250	33,220	5	0
4. 2001	XXX	XXX	142,443	21,682	4,815
5. 2002	XXX	XXX	XXX	0	0
6. 2003	XXX	XXX	XXX	XXX	0

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability and Reserve Outstanding at End of Year				
	1 1999	2 2000	3 2001	4 2002	5 2003
1. Prior .....	.0	.0	.0	.0	.0
2. 1999	205,652	204,191	204,006	204,006	204,006
3. 2000	XXX	213,098	209,136	208,475	208,475
4. 2001	XXX	XXX	186,160	180,820	168,942
5. 2002	XXX	XXX	XXX	.0	.0
6. 2003	XXX	XXX	XXX	XXX	0

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

[illegible]

Aggregate Reserve for A&H Contracts
NONE

Part 3
NONE

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....0	.....
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....	.....
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans .....	.....	.....
6.	Cash/short-term investments	(e) .....225,115	.....210,876
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income .....	.....225,115	.....210,876
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total (Lines 11 through 15) .....		.....0
17.	Net Investment Income - (Line 10 minus Line 16) .....		.....210,876
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above) .....	.....0	.....0
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Total (Lines 1501 through 1503 plus 1598) (Line 15, above) .....		.....0

(a) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued dividends on purchases.
(c) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$interest on capital notes.
(i) Includes \$depreciation on real estate and \$depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Increases (Decreases) by Adjustment	Net Gain (Loss) from Change in Difference Between Basis Book/ Adjusted Carrying and Admitted Values	Total
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax					
1.2	Other bonds (unaffiliated)					
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash/Short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)					
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9, above)					

Exhibit 1
NONE

Exhibit 2
NONE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. Accounting Practices - The accompanying financial statements of Selectcare HMO, Inc. (the Corporation) have been prepared in accordance with the *NAIC Accounting Practices and Procedures Manual(NAPPM)* except to the extent that the accounting practices, procedures and reporting standards are not modified by the Michigan Insurance Code or the Forms and Instructions for Required Filings in Michigan.
- The Office of Financial and Insurance Services of the State of Michigan has adopted Codification as of January 1, 2003 with modifications.
- B. Use of Estimates in the Preparation of the Financial Statements - The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the statutory financial statements. Estimates also affect the reported amounts of revenues and expenses during the period. Actual results may differ from those estimates.
- C. Accounting Policy - Subscriptions revenue received in advance of the respective period of coverage are credited to income ratably over the period of coverage. Health policy claims consists of unpaid medical claims and other obligations resulting from the provision of health care services. It includes claims reported as of the balance sheet date and estimates, based on historical claims experience, for claims incurred but not reported.
- (1) Short-term investments are stated either at market value or at amortized cost based on the underlying security.
 - (2) Bonds are recorded at amortized cost, which approximates market value.
 - (3) The Corporation's common stocks are reported at market.
 - (4) The Corporation owns no preferred stocks.
 - (5) The Corporation owns no mortgage loans.
 - (6) The Corporation owns no loan-backed securities.
 - (7) The Corporation has no subsidiaries
 - (8) The Corporation has no investments in joint ventures, partnerships and limited liability companies.
 - (9) The Corporation does not hold any derivative financial instruments.
 - (10) The Corporation's method of estimating liabilities for unpaid medical claims are based on past experience, for claims incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

- A. Material changes in accounting principles and/or correction of errors - The Corporation has none to report.
- B. The cumulative effect of changes in accounting principles as a result of the implementation of Codification - The Corporation has none to report.

3. BUSINESS COMBINATIONS AND GOODWILL

- A. Statutory Purchase Method

The Corporation has no business combinations or goodwill to report.

NOTES TO FINANCIAL STATEMENTS

4. DISCONTINUED OPERATIONS

The Corporation has no discontinued operations to report.

5. INVESTMENTS

- A. The Corporation has no investments in mortgage loans.
- B. The Corporation has no debt restructurings.
- C. The Corporation has no reverse mortgages.
- D. The Corporation has no loan-backed securities.
- E. The Corporation has no repurchase agreements.
- F. The Corporation has no real estate investments.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

- A. The Corporation has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

7. INVESTMENT INCOME

The Corporation had no excluded investment income.

8. DERIVATIVE INSTRUMENTS

The Corporation does not hold any derivative instruments.

9. INCOME TAXES

- A. The Corporation's tax liability was \$452,689 for the period ended December 31, 2003. The Corporation had a net tax asset of \$784,737 for the period ended December 31, 2002.
- B. Nothing to report
- C. The Corporation's income tax expenses were \$3,998,980 and \$2,275,752 in 2003 and 2002, respectively.
- D. None to report
- E. None to report
- F. The Corporation's net taxable income is included in the consolidated tax return of its parent corporation Selectcare, Inc. It is combined Selectcare, Inc.'s other subsidiaries Seletcare Systems Corporation; Selectcare Networks, Inc.; and Selectcare Reinsurance, Ltd. Income tax expenses is allocated between Selectcare, Inc. and its wholly-owned subsidiaries based on their respective net income or loss.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A. The Corporation is a subsidiary of Selectcare, Inc. During 2001, Selectcare, Inc. was jointly purchased by Health Alliance Plan of Michigan and PPOM, a Blue Cross and Blue Shield of Michigan affiliated organization. As part of the purchase agreement, Health Alliance Plan of Michigan obtained the operations of Selectcare, HMO, Inc.
- B-C. The Corporation made a dividend payment to its Parent Company, Selectcare, Inc., in 2002 for \$6,500,000.
- D-J The Corporation has nothing to report.

11. DEBT

The Corporation has no capital notes or debt.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

- A. The Corporation or its Parent Company, Selectcare, Inc. has nothing to report.

NOTES TO FINANCIAL STATEMENTS

13 . CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS.

- A. The Corporation has no common stock.
- B. The Corporation has no preferred stock.
- C. The Corporation has no restrictions on unassigned funds (surplus).
- D. The Corporation holds no shares of other organizations.
- E. The Corporation has no surplus notes outstanding.
- F. The Corporation has no quasi-reorganization to report.

14 . CONTINGENCIES

- A. The Corporation is party to lawsuits incident to the operations. Management believes that the ultimate disposition of such contingencies will not have a material effect on the accompanying financial statements.

15 . LEASES

- A. The Corporation currently has no leases.

16 . INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

- A. The Corporation does not hold any financial instruments with off-balance sheet risk.

17 . SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

- A-B. The Corporation has not transferred any receivables or financial assets.
- C. The Corporation does not have any wash sales.

18 . GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

The Corporation has no gains or losses from uninsured accident and health plans.

19 . DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Corporation does not have any managing general agents or third party administrators.

20 . OTHER ITEMS

- A-D. The Corporation has no extraordinary items, troubled debt restructuring and other disclosures to report.

21 . EVENTS SUBSEQUENT

The Corporation does not have any to report.

22 . REINSURANCE

Not applicable.

NOTES TO FINANCIAL STATEMENTS

23 . RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO
REDETERMINATION

Not applicable.

24 . CHANGE IN INCURRED CLAIMS AND CLAIM ADJUSTMENT EXPENSES

The Corporation has no current claims or claims adjustment expenses.

25 . INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

26 . STRUCTURED SETTLEMENTS

Not applicable.

27 . HEALTH CARE RECEIVABLES

The Corporation has no health care receivables.

28 . PARTICIPATING POLICIES

Not applicable.

29 . PREMIUM DEFICIENCY RESERVES

Not applicable.

30 . ANTICIPATED SALVAGE AND SUBROGATION

Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement	
	1 Amount	2 Percentage	3 Amount	4 Percentage
1. Bonds:				
1.1 U.S. Treasury securities	0	0.000		0.000
1.2 U.S. government agency and corporate obligations (excluding mortgage-backed securities):				
1.21 Issued by U.S. government agencies		0.000		0.000
1.22 Issued by U.S. government sponsored agencies		0.000		0.000
1.3 Foreign government (including Canada, excluding mortgaged-backed securities)		0.000		0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:				
1.41 States, territories and possessions general obligations		0.000		0.000
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations		0.000		0.000
1.43 Revenue and assessment obligations		0.000		0.000
1.44 Industrial development and similar obligations		0.000		0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):				
1.51 Pass-through securities:				
1.511 Guaranteed by GNMA		0.000		0.000
1.512 Issued by FNMA and FHLMC		0.000		0.000
1.513 Privately issued		0.000		0.000
1.52 CMOs and REMICs:				
1.521 Issued by FNMA and FHLMC		0.000		0.000
1.522 Privately issued and collateralized by MBS issued or guaranteed by GNMA, FNMA, or FHLMC		0.000		0.000
1.523 All other privately issued		0.000		0.000
2. Other debt and other fixed income securities (excluding short-term):				
2.1 Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)		0.000		0.000
2.2 Unaffiliated foreign securities		0.000		0.000
2.3 Affiliated securities		0.000		0.000
3. Equity interests:				
3.1 Investments in mutual funds	12,592,725	87.481	12,592,725	87.481
3.2 Preferred stocks:				
3.21 Affiliated		0.000		0.000
3.22 Unaffiliated		0.000		0.000
3.3 Publicly traded equity securities (excluding preferred stocks):				
3.31 Affiliated		0.000		0.000
3.32 Unaffiliated		0.000		0.000
3.4 Other equity securities:				
3.41 Affiliated		0.000		0.000
3.42 Unaffiliated		0.000		0.000
3.5 Other equity interests including tangible personal property under lease:				
3.51 Affiliated		0.000		0.000
3.52 Unaffiliated		0.000		0.000
4. Mortgage loans:				
4.1 Construction and land development		0.000		0.000
4.2 Agricultural		0.000		0.000
4.3 Single family residential properties		0.000		0.000
4.4 Multifamily residential properties		0.000		0.000
4.5 Commercial loans		0.000		0.000
4.6 Mezzanine real estate loans		0.000		0.000
5. Real estate investments:				
5.1 Property occupied by the company		0.000	0	0.000
5.2 Property held for the production of income (includes \$ of property acquired in satisfaction of debt)		0.000	0	0.000
5.3 Property held for sale (\$ including property acquired in satisfaction of debt)		0.000	0	0.000
6. Policy loans		0.000		0.000
7. Receivables for securities		0.000	0	0.000
8. Cash and short-term investments	1,802,082	12.519	1,802,082	12.519
9. Other invested assets		0.000		0.000
10. Total invested assets	14,394,807	100.000	14,394,807	100.000

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating?

Michigan
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/1997
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/1997
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

07/12/1999
- 3.4

By what department or departments? The Michigan Office of Financial and Insurance Services
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes [] No [X]

4.12 renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes [] No [X]

4.22 renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]
- 7.2

If yes,

7.21 State the percentage of foreign control;

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney in fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms?..... Yes [] No [X]
8.4 If response to 8.3 is yes, please provide the names and location (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC) and identify the affiliate's primary federal regulator.]

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte and Touche, 600 Renaissance Center, Detroit, MI 48243
10. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with a(n) actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

11. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
11.1 What changes have been made during the year in the United States Manager or the United States Trustees of the reporting entity?

11.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
11.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
11.4 If answer to (11.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA []

BOARD OF DIRECTORS

12. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
13. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
14. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees which is in or likely to conflict with the official duties of such person?. Yes [X] No []

FINANCIAL

15.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
15.11 To directors or other officers .. \$.....
15.12 To stockholders not officers ... \$.....
15.13 Trustees, supreme or grand (Fraternal only) \$.....
15.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
15.21 To directors or other officers ... \$.....0
15.22 To stockholders not officers \$.....
15.23 Trustees, supreme or grand (Fraternal only) \$.....
16.1 Were any of the assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in this statement? Yes [] No [X]
16.2 If yes, state the amount thereof at December 31 of the current year:
16.21 Rented from others \$.....
16.22 Borrowed from others \$.....
16.23 Leased from others \$.....
16.24 Other \$.....

Disclose in Notes to Financial the nature of each obligation.
17.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
17.2 If answer is yes,
17.21 Amount paid as losses or risk adjustment \$.....
17.22 Amount paid as expenses \$.....
17.23 Other amounts paid \$.....

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)
INVESTMENT

18. List the following capital stock information for the reporting entity:

Class	1 Number of Shares Authorized	2 Number of Shares Outstanding	3 Par Value Per Share	4 Redemption Price if Callable	5 Is Dividend Rate Limited?		6 Are Dividends Cumulative?	
					Yes	No	Yes	No
Preferred					[]	[]	[]	[]
Common	1,000,000	300,000	0.010	XXX	XXX	XXX	XXX	XXX

19.1. Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date, except as shown by Schedule E - Part 3 - Special Deposits? Yes [X] No []

19.2 If no, give full and complete information relating thereto:

20.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, except as shown on the Schedule E - Part 3 - Special Deposits; or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 16.1) Yes [] No [X]

20.2 If yes, state the amount thereof at December 31 of the current year:

20.21

Loaned to others

\$.....

20.22

Subject to repurchase agreements

\$.....

20.23

Subject to reverse repurchase agreements

\$.....

20.24

Subject to dollar repurchase agreements

\$.....

20.25

Subject to reverse dollar repurchase agreements

\$.....

20.26

Pledged as collateral

\$.....

20.27

Placed under option agreements

\$.....

20.28

Letter stock or other securities restricted as to sale ...

\$.....

20.29

Other

\$.....

20.3 For each category above, if any of these assets are held by other, identify by whom held:

20.31

20.35

20.32

20.36

20.33

20.37

20.34

20.38

20.39

For categories (20.21) and (20.23) above, and for any securities that were made available for use by another person during the period covered by this statement, attach a schedule as shown in the instructions to the annual statement.

20.4 For category (20.28) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....
.....
.....
.....

21.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

21.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] NA [X]
If no, attach a description with this statement.

22.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

22.2 If yes, state the amount thereof at December 31 of the current year. \$.....

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)

INVESTMENT

23. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 – General, Section IV.H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes [X] No []

23.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

¹ Name of Custodian(s)	² Custodian's Address
Banc One.....	Detroit, Michigan.....

23.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

¹ Name(s)	² Location(s)	² Complete Explanation(s)

23.03 Have there been any changes, including name changes, in the custodian(s) identified in 23.01 during the current year?

Yes [] No [X]

23.04 If yes, give full and complete information relating thereto:

¹ Old Custodian	² New Custodian	³ Date of Change	⁴ Reason

23.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

¹ Central Registration Depository Number(s)	² Name	² Address

24.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?.....

Yes [] No [X]

24.2 If yes, complete the following schedule:

¹ CUSIP #	² Name of Mutual Fund	³ Book/Adjusted Carrying Value
9999999. TOTAL		0

24.3 For each mutual fund listed in the table above, complete the following schedule:

¹ Name of Mutual Fund (from above table)	² Name of Significant Holding Of the Mutual Fund	³ Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	⁴ Date of Valuation

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)

OTHER

- 25.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any?.....\$
- 25.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

- 26.1 Amount of payments for legal expenses, if any?.....\$
- 26.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

- 27.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$
- 27.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only

\$

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

0

1.31 Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$

1.6

Individual policies:

Most current three years:

1.61 Total premium earned

\$

0

1.62 Total incurred claims

\$

0

1.63 Number of covered lives

\$

0

All years prior to most current three years:

1.64 Total premium earned

\$

0

1.65 Total incurred claims

\$

0

1.66 Number of covered lives

\$

0

1.7

Group policies:

Most current three years:

1.71 Total premium earned

\$

0

1.72 Total incurred claims

\$

0

1.73 Number of covered lives

\$

0

All years prior to most current three years:

1.74 Total premium earned

\$

0

1.75 Total incurred claims

\$

0

1.76 Number of covered lives

\$

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator

\$

0

\$

1,017,299

2.2 Premium Denominator

\$

0

\$

1,017,299

2.3 Premium Ratio (2.1/2.2)

0.000

1.000

2.4 Reserve Numerator

\$

0

\$

16,693,539

2.5 Reserve Denominator

\$

0

\$

16,693,539

2.6 Reserve Ratio (2.4/2.5)

0.000

1.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and departments been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [X] No []

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31 Comprehensive Medical

\$

420,000

5.32 Medical Only

\$

5.33 Medicare Supplement

\$

5.34 Dental

\$

5.35 Other Limited Benefit Plan

\$

5.36 Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

Not applicable.

7.1

Does the reporting entity set up its claim liability for provider services on a service data base?

Yes [X] No []

7.2

If no, give details:

8.

Provide the following Information regarding participating providers:

8.1

Number of providers at start of reporting year

8.2

Number of providers at end of reporting year

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

9.22

Business with rate guarantees over 36 months

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

GENERAL INTERROGATORIES
(continued)

PART 2 - HEALTH INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold and Bonus/ Arrangements in its provider contract?

Yes [] No [X]

10.2 If yes:

10.21 Maximum amount payable bonuses

10.22 Amount actually paid for year bonuses

10.23 Maximum amount payable withholds

10.24 Amount actually paid for year withholds

\$.....

\$.....

\$.....

\$.....

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model,

11.13 An Individual Practice Association (IPA), or,

11.14 A Mixed Model (combination of above) ?.....

Yes [] No []

Yes [X] No []

Yes [] No []

11.2 Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [X] No []

11.3 If yes, show the name of the state requiring such net worth.

Michigan

11.4 If yes, show the amount required.

\$.....1,500,000

11.5 Is this amount included as part of a contingency reserve in stockholders equity?

Yes [] No [X]

11.6 If the amount is calculated, show the calculation.

12. List service areas in which reporting entity is licensed to operate:

1 Name of Service Area
Wayne County.....
Oakland County.....
Gennessee County.....
Washtenaw County.....
Livingston County.....
Macomb County.....
Monroe County.....

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

FIVE-YEAR HISTORICAL DATA

	1 2003	2 2002	3 2001	4 2000	5 1999
BALANCE SHEET ITEMS (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 26)	14,407,626	21,158,900	50,963,031	51,178,041	31,289,165
2. Total liabilities (Page 3, Line 22)	1,875,589	16,716,554	45,307,207	34,589,628	18,138,117
3. Statutory surplus	500,000	500,000	500,000	500,000	500,000
4. Total capital and surplus (Page 3, Line 30)	12,532,037	4,442,346	5,655,824	16,588,413	13,151,048
INCOME STATEMENT ITEMS (Page 4)					
5. Total revenues (Line 8)	0	1,017,299	203,713,271	253,832,071	242,463,008
6. Total medical and hospital expenses (Line 18)	(11,877,795)	(6,001,364)	186,160,121	210,292,776	204,439,479
7. Total administrative expenses (Line 21)	0	0	23,856,748	33,727,963	34,366,518
8. Net underwriting gain (loss) (Line 24)	11,877,795	7,018,663	(10,043,767)	7,265,391	3,657,011
9. Net investment gain (loss) (Line 27)	210,876	545,779	2,199,298	2,545,941	1,668,740
10. Total other income (Lines 28 plus 29)	0	(2,168)	0	0	0
11. Net income (loss) (Line 32)	8,089,691	5,286,522	(7,844,469)	9,811,332	3,657,011
RISK - BASED CAPITAL ANALYSIS					
12. Total adjusted capital.....	12,532,037	4,442,346	5,655,824	16,588,413	13,151,048
13. Authorized control level risk-based capital.....	1,891,612	421,571	4,322,599	5,841,471	5,413,902
ENROLLMENT (Exhibit 2)					
14. Total members at end of period (Column 5, Line 7)	0	0	74,483	132,336	148,199
15. Total member months (Column 6, Line 7)	0	0	1,222,539	1,692,497	1,737,378
OPERATING PERCENTAGE (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5)					
16. Premiums earned (Lines 2 plus 3)	100.0	100.0	100.0	100.0	100.0
17. Total hospital and medical (Line 18)	0.0	(589.9)	91.4	82.8	84.3
18. Total underwriting deductions (Line 23)	0.0	(589.9)	104.9	13.3	14.2
19. Total underwriting gain (loss) (Line 24)	0.0	689.9	(4.9)	13.6	7.5
UNPAID CLAIMS ANALYSIS					
(U&I Exhibit, Part 2B)					
20. Total claims incurred for prior years (Line 12, Col. 5)	4,815,744	38,381,184	34,453,996	11,767,722	25,925,051
21. Estimated liability of unpaid claims – [prior year (Line 12, Col. 6)]	16,693,539	44,382,548	34,453,996	11,767,722	25,925,051
INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES					
22. Affiliated bonds (Sch. D Summary, Line 25, Col. 1)	0	0	0	0	0
23. Affiliated preferred stocks (Sch. D Summary, Line 39, Col. 1)	0	0	0	0	0
24. Affiliated common stocks (Sch. D Summary, Line 53, Col. 2)	0	0	0	0	0
25. Affiliated short-term investments (subtotal included in Sch. DA, Part 2, Col. 5, Line 11)	0	0	0	0	0
26. Affiliated mortgage loans on real estate		0	0	0	0
27. All other affiliated		0	0	0	0
28. Total of above Lines 22 to 27	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

SCHEDULE D - SUMMARY BY COUNTRY

Long-Term Bonds and Stocks OWNED December 31 of Current Year					
Description		1 Book/Adjusted Carrying Value	2 Fair Value (a)	3 Actual Cost	4 Par Value of Bonds
BONDS Governments (Including all obligations guaranteed by governments)	1. United States	0	0	0	0
	2. Canada	0	0	0	0
	3. Other Countries	0	0	0	0
	4. Totals	0	0	0	0
States, Territories and Possessions (Direct and guaranteed)	5. United States	0	0	0	0
	6. Canada	0	0	0	0
	7. Other Countries	0	0	0	0
	8. Totals	0	0	0	0
Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	9. United States	0	0	0	0
	10. Canada	0	0	0	0
	11. Other Countries	0	0	0	0
	12. Totals	0	0	0	0
Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	13. United States	0	0	0	0
	14. Canada	0	0	0	0
	15. Other Countries	0	0	0	0
	16. Totals	0	0	0	0
Public Utilities (unaffiliated)	17. United States	0	0	0	0
	18. Canada	0	0	0	0
	19. Other Countries	0	0	0	0
	20. Totals	0	0	0	0
Industrial and Miscellaneous and Credit Tenant Loans (unaffiliated)	21. United States	0	0	0	0
	22. Canada	0	0	0	0
	23. Other Countries	0	0	0	0
	24. Totals	0	0	0	0
Parent, Subsidiaries and Affiliates	25. Totals	0	0	0	0
	26. Total Bonds	0	0	0	0
PREFERRED STOCKS Public Utilities (unaffiliated)	27. United States	0	0	0	
	28. Canada	0	0	0	
	29. Other Countries	0	0	0	
	30. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	31. United States	0	0	0	
	32. Canada	0	0	0	
	33. Other Countries	0	0	0	
	34. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	35. United States	0	0	0	
	36. Canada	0	0	0	
	37. Other Countries	0	0	0	
	38. Totals	0	0	0	
Parent, Subsidiaries and Affiliates	39. Totals	0	0	0	
	40. Total Preferred Stocks	0	0	0	
COMMON STOCKS Public Utilities (unaffiliated)	41. United States	0	0	0	
	42. Canada	0	0	0	
	43. Other Countries	0	0	0	
	44. Totals	0	0	0	
Banks, Trust and Insurance Companies (unaffiliated)	45. United States	0	0	0	
	46. Canada	0	0	0	
	47. Other Countries	0	0	0	
	48. Totals	0	0	0	
Industrial and Miscellaneous (unaffiliated)	49. United States	12,592,725	12,592,725	12,592,725	
	50. Canada	0	0	0	
	51. Other Countries	0	0	0	
	52. Totals	12,592,725	12,592,725	12,592,725	
Parent, Subsidiaries and Affiliates	53. Totals	0	0	0	
	54. Total Common Stocks	12,592,725	12,592,725	12,592,725	
	55. Total Stocks	12,592,725	12,592,725	12,592,725	
	56. Total Bonds and Stocks	12,592,725	12,592,725	12,592,725	

(a) The aggregate value of bonds which are valued at other than actual fair value is \$

SCHEDULE D - VERIFICATION BETWEEN YEARS

1. Book/adjusted carrying value of bonds and stocks, prior year	12,592,725	6. Foreign Exchange Adjustment:	
2. Cost of bonds and stocks acquired, Column 6, Part 3	0	6.1 Column 17, Part 1	0
3. Increase (decrease) by adjustment:		6.2 Column 13, Part 2, Sec. 1	0
3.1 Column 16, Part 1	0	6.3 Column 11, Part 2, Sec. 2	0
3.2 Column 12, Part 2, Sec. 1	0	6.4 Column 11, Part 4	0
3.3 Column 10, Part 2, Sec. 2	0	7. Book/adjusted carrying value at end of current period	12,592,725
3.4 Column 10, Part 4	0	8. Total valuation allowance	0
4. Total gain (loss), Col. 14, Part 4	0	9. Subtotal (Lines 7 plus 8)	12,592,725
5. Deduct consideration for bonds and stocks disposed of Column 6, Part 4	0	10. Total nonadmitted amounts	
		11. Statement value of bonds and stocks, current period	12,592,725

ANNUAL STATEMENT FOR THE YEAR 2003 OF THE
SelectCare HMO, Inc.

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	2	Direct Business Only					
				3	4	5	6	7	8
States, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed? (Yes or No)	Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Deposit Type Contract Funds	Property/ Casualty Premiums
1.	Alabama.....AL								
2.	Alaska.....AK								
3.	Arizona.....AZ								
4.	Arkansas.....AR								
5.	California.....CA								
6.	Colorado.....CO								
7.	Connecticut.....CT								
8.	Delaware.....DE								
9.	District of Columbia.....DC								
10.	Florida.....FL								
11.	Georgia.....GA								
12.	Hawaii.....HI								
13.	Idaho.....ID								
14.	Illinois.....IL								
15.	Indiana.....IN								
16.	Iowa.....IA								
17.	Kansas.....KS								
18.	Kentucky.....KY								
19.	Louisiana.....LA								
20.	Maine.....ME								
21.	Maryland.....MD								
22.	Massachusetts.....MA								
23.	Michigan.....MI		Yes						
24.	Minnesota.....MN								
25.	Mississippi.....MS								
26.	Missouri.....MO								
27.	Montana.....MT								
28.	Nebraska.....NE								
29.	Nevada.....NV								
30.	New Hampshire.....NH								
31.	New Jersey.....NJ								
32.	New Mexico.....NM								
33.	New York.....NY								
34.	North Carolina.....NC								
35.	North Dakota.....ND								
36.	Ohio.....OH								
37.	Oklahoma.....OK								
38.	Oregon.....OR								
39.	Pennsylvania.....PA								
40.	Rhode Island.....RI								
41.	South Carolina.....SC								
42.	South Dakota.....SD								
43.	Tennessee.....TN								
44.	Texas.....TX								
45.	Utah.....UT								
46.	Vermont.....VT								
47.	Virginia.....VA								
48.	Washington.....WA								
49.	West Virginia.....WV								
50.	Wisconsin.....WI								
51.	Wyoming.....WY								
52.	American Samoa.....AS								
53.	Guam.....GU								
54.	Puerto Rico.....PR								
55.	U.S. Virgin Islands.....VI								
56.	Canada.....CN								
57.	Aggregate other alien.....OT	XXX	XXX	0	0	0	0	0	0
58.	Total (Direct Business)	XXX	(a) 1	0	0	0	0	0	0
DETAILS OF WRITE-INS									
5701.									
5702.									
5703.									
5798.	Summary of remaining write-ins for Line 57 from overflow page			0	0	0	0	0	0
5799.	Totals (Lines 5701 thru 5703 plus 5798) (Line 57 above)			0	0	0	0	0	0

Explanation of basis of allocation by states, premiums by state, etc.:
(a) Insert the number of yes responses except for Canada and Other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER AND HMO MEMBERS OF A HOLDING COMPANY
GROUP**

PART 1 - ORGANIZATIONAL CHART

-